Clearances: L/PM – Meier ok NSC – Nilsson ok T – Tucker ok PM/CPA – Greer ok

PM/DDTC – RSKovac H – Knight ok PM/DTCL– Maloney

# Dear Madam Speaker:

Pursuant to Section 36(c) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed manufacturing license agreement for the export of defense articles, including technical data, and defense services in the amount of \$100,000,000 or more.

The transaction contained in the attached certification involves the export of defense articles, including technical data, and defense services for the manufacture and overhaul of hydraulic steering systems for X300 transmissions of ground vehicles in the United Kingdom.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,

Richard R. Verma Assistant Secretary Legislative Affairs

Enclosure:

Transmittal No. DDTC 056-09

The Honorable

Nancy Pelosi,

Speaker of the House of Representatives.

# DEPARTMENT OF STATE TRANSMITTAL NO. DDTC 056-09 CERTIFICATION OF PROPOSED ISSUANCE OF AN EXPORT LICENSE PURSUANT TO SECTION 36(c) OF THE ARMS EXPORT CONTROL ACT

- (1) <u>Foreign Country or International Organization to Which Export Will Be Made:</u> United Kingdom
- (2) <u>Dollar Value of the Items to Be Exported</u>:

(a) Current license application: \$277,100,000

(b) Total contract: Initial Notification

# (3) <u>Description of the Items:</u>

- (a) Eaton Corporation proposes to amend an ongoing manufacturing license agreement with David Brown Hydraulic Systems Limited of the United Kingdom for the transfer of defense articles, to include technical data and defense services, for the manufacture and overhaul of X300 transmissions for ground vehicles. This amendment seeks to conform the program to current legal and administrative requirements.
- (b) Total Scope: This is an initial notification as there is no record of any prior notification, although the manufacturing license agreement was initially approved in 1998. There is no new value associated with the current amendment.
- (4) Offset Arrangement: There are no offsets associated with this agreement.
- (5) <u>Sales Territory</u>: Albania, Australia, Belgium, Bulgaria, Canada, Croatia, Czech Republic, Denmark, Estonia, France, Germany, Greece, Hungary, Iceland, Italy, Latvia, Lithuania, Luxembourg, New Zealand, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, The Netherlands, Turkey, the United Kingdom, and the United States.

# (6) <u>Date Certification Delivered to Congress</u>:

NOTE: This report, although unclassified, is derived from information submitted to the Department of State by the applicant, which is subject to the confidentiality requirements of section 38(e) of the Arms Export Control Act. Disclosure of an applicant's prices and customers could result in competitive injury.

# Dear Madam Speaker:

Pursuant to Section 36(c) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed manufacturing license agreement for the export of defense articles, including technical data, and defense services in the amount of \$100,000,000 or more.

The transaction contained in the attached certification involves the export of defense articles, including technical data, and defense services for the manufacture and overhaul of hydraulic steering systems for X300 transmissions of ground vehicles in the United Kingdom.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,

Richard R. Verma Assistant Secretary Legislative Affairs

Enclosure:

Transmittal No. DDTC 056-09

The Honorable

Nancy Pelosi,

Speaker of the House of Representatives.

#### Dear Mr. Chairman:

Pursuant to Section 36(c) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed manufacturing license agreement for the export of defense articles, including technical data, and defense services in the amount of \$100,000,000 or more.

The transaction contained in the attached certification involves the export of defense articles, including technical data, and defense services for the manufacture and overhaul of hydraulic steering systems for X300 transmissions of ground vehicles in the United Kingdom.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,

Richard R. Verma Assistant Secretary Legislative Affairs

Enclosure:

Transmittal No. DDTC 056-09

The Honorable

John F. Kerry, Chairman,
Committee on Foreign Relations,
United States Senate.

# Dear Senator Lugar:

Pursuant to Section 36(c) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed manufacturing license agreement for the export of defense articles, including technical data, and defense services in the amount of \$100,000,000 or more.

The transaction contained in the attached certification involves the export of defense articles, including technical data, and defense services for the manufacture and overhaul of hydraulic steering systems for X300 transmissions of ground vehicles in the United Kingdom.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,

Richard R. Verma Assistant Secretary Legislative Affairs

Enclosure:

Transmittal No. DDTC 056-09

The Honorable

Richard G. Lugar,
Committee on Foreign Relations,
United States Senate.

#### Dear Ms. Ros-Lehtinen:

Pursuant to Section 36(c) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed manufacturing license agreement for the export of defense articles, including technical data, and defense services in the amount of \$100,000,000 or more.

The transaction contained in the attached certification involves the export of defense articles, including technical data, and defense services for the manufacture and overhaul of hydraulic steering systems for X300 transmissions of ground vehicles in the United Kingdom.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,

Richard R. Verma Assistant Secretary Legislative Affairs

Enclosure:

Transmittal No. DDTC 056-09

The Honorable
Ileana Ros-Lehtinen,
Committee on Foreign Affairs,

House of Representatives.

#### Dear Mr. Chairman:

Pursuant to Section 36(c) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed manufacturing license agreement for the export of defense articles, including technical data, and defense services in the amount of \$100,000,000 or more.

The transaction contained in the attached certification involves the export of defense articles, including technical data, and defense services for the manufacture and overhaul of hydraulic steering systems for X300 transmissions of ground vehicles in the United Kingdom.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,

Richard R. Verma Assistant Secretary Legislative Affairs

Enclosure:

Transmittal No. DDTC 056-09

The Honorable

Howard L. Berman, Chairman, Committee on Foreign Affairs, House of Representatives.

#### ear Mr. President:

Pursuant to Section 36(c) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed manufacturing license agreement for the export of defense articles, including technical data, and defense services in the amount of \$100,000,000 or more.

The transaction contained in the attached certification involves the export of defense articles, including technical data, and defense services for the manufacture and overhaul of hydraulic steering systems for X300 transmissions of ground vehicles in the United Kingdom.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,

Richard R. Verma Assistant Secretary Legislative Affairs

Enclosure:

Transmittal No. DDTC 056-09

The Honorable

Joseph R. Biden, Jr.,

President of the Senate.